l	BEFORE THE FEDERAL ELECTION COMMISSION			The state of the s			
2 3 4	In the Matter of	·)	201	7 JAN	26	# (11: 1
5 6 7 8	MUR 7060 Alex Law for Congress Rishov Kohli, as treasurer, and Alex Law)	DISMISSAL AND CASE CLOSURE UNDER THE ENFORCEMENT PRIORITY SYSTEM	(CEL	.A	

GENERAL COUNSEL'S REPORT

Under the Enforcement Priority System, the Commission uses formal scoring criteria as a basis to allocate its resources and decide which matters to pursue. These criteria include, without limitation, an assessment of the following factors: (1) the gravity of the alleged violation, taking into account both the type of activity and the amount in violation; (2) the apparent impact the alleged violation may have had on the electoral process; (3) the complexity of the legal issues raised in the matter; and (4) recent trends in potential violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), and developments of the law. It is the Commission's policy that pursuing relatively low-rated matters on the Enforcement docket warrants the exercise of its prosecutorial discretion to dismiss cases under certain circumstances, or to find no reason to believe that the Act was violated. The Office of General Counsel has scored MUR 7060 as a low-rated matter and has determined that it should not be referred to the Alternative Dispute Resolution Office. ¹

The Office of General Counsel recommends that the Commission find no reason to believe that Alex Law, the 2016 primary candidate for New Jersey's first Congressional District, and Alex Law for Congress and Rishav Kohli (the "Committee") violated the Act by improperly using federal campaign funds to create and distribute campaign literature that featured local candidates running on the same ticket.² The campaign mailer in question was a letter, which included two attachments, sent

The EPS rating information is as follows: : Complaint filed: May 9, 2016. Response filed: May 26, 2016.

² Compl. at 1. Law lost the June 2016 primary election.

Dismissal and Case Closure Under EPS MUR 7060 (Alex Law for Congress) General Counsel's Report Page 2

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from the Committee to voters. The Complaint alleges that the mailer cost thousands of dollars to create and send.³

Law, in a response on behalf of himself and the Committee, states that his Committee paid the costs for the mailing, which were just over \$200, and asserts that his own campaign was the focus of the campaign literature in question.⁴ He maintains that he only featured the local candidates to indicate their support for his candidacy, as well as to highlight them as leaders in the community.⁵ Law denies that the inclusion of the local candidates on campaign literature was an illegal contribution to those candidates or was in violation of the Act.⁶ Law notes that the Committee used limited campaign funds to distribute the campaign literature that featured local candidates.⁷

Under the Act, contributions to state and local candidates are a permissible use of campaign funds, subject to the provisions of State law.⁸ Therefore, we recommend that the Commission find no reason to believe that Alex Law or Alex Law for Congress and Rishav Kohli in his official capacity as treasurer violated the Act.

Id. The mailer at issue appears to contain three documents, a signed letter by the candidate on campaign stationery and two two-sided attachments. We do not know how many were mailed or to whom it was directed. One two-sided attachment features the candidate, while the second features the candidate and two other candidates running for local office. The two-sided attachments to the letter include disclaimers that sufficiently indicate that the Committee paid for the mailer. The disclaimers are not, however, enclosed in a printed box, in violation of 52 U.S.C. § 30120 and 11 C.F.R. § 110.11(c)(2). There is no disclaimer on the letter. See 11 C.F.R. §110.11(c)(2)(v) (communication included in package of materials that would require disclaimer if mailed separately must contain disclaimer). Since these violations are not alleged in the complaint, and other information in the package indicates that the Committee paid for and distributed the mailing, we make no recommendation as to these issues.

Resp. at 1.

⁵ *Id*.

⁶ *Id*. at 1-2.

⁷ Id.

⁵² U.S.C. § 30114(a)(5); 11 C.F.R. § 113.2(d). New Jersey does not prohibit contributions from federal candidates or committees. See New Jersey Election Law Enforcement Commission: Compliance Manual for Candidates (Nov. 2016).

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RECOMMENDATIONS

- 1. Find no reason to believe that Alex Law and Alex Law for Congress and Rishav Kohli in his official capacity as treasurer violated the Act;
- 2. Approve the Factual and Legal Analysis;
- 3. Approve the appropriate letters; and
- 4. Close the file as to all Respondents.

Lisa J. Stevenson Acting General Counsel

Kathleen M. Guith Associate General Counsel

1.26.17

Date

BY:

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